



Major Economic News

- Point-of-sale transactions in Saudi Arabia saw a 33% Y/Y drop to around SAR 16.2bn in April 2020; the lowest since February 2018. Data showed that 121.8mn transactions were processed through nearly 486,200 points-of-sales in shopping malls, retail stores, and pharmacies. (Source: Argaam)
- Saudi banks' investments in treasury bonds increased by SAR 5bn M/M to SAR 413.1bn in April. SAMA's foreign assets declined by SAR 89.5bn in April to around SAR 1.7tn. (Source: Argaam)

Major Corporate News

- Saudi Arabian Airlines will recommence service to 4 domestic destinations from next week. The airline will restart flights from Riyadh to Hail, Al Jouf and Arar on June 6, while service on Riyadh-Taif route will recommence from June 7. (Source: Argaam)
- Shareholders of Basic Chemical Industries Co. approved withholding dividend for Q4-19 during the ordinary general meeting. (Source: Argaam)
- The Saudi Stock Exchange announced the listing and trading units of AlBilad Gold ETF as an Exchange Traded Fund. (Source: Argaam)
- Global technology firm Honeywell will open a new facility for the production of gas detection devices in Saudi Arabia. The Honeywell facility will produce 10,000 portable gas detectors and 800 fixed gas detectors annually when it reaches full production in FY22. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange remained flat at 7,285.2. The value traded stood at SAR 6.4bn (down 4.6% over previous day), while the advance-decline ratio stood at 84/95. The parallel market index increased 0.2% to 7,378.0 points. The value traded stood at SAR 44.1mn (down 22.0% over previous day). Most of the sectors in the main market ended in the red. Retailing and Food & Beverages (up 1.0% and 0.9%, respectively) advanced the most; Software & Services and Food & Staples (down 3.7% and 2.9%, respectively) led the laggards.

Earnings update (Net Profit) (SAR mn)

Company	Q1-20	Q1-19	Y/Y %	Q4-19	Q/Q %
Middle East Healthcare	21.2	14.6	45.2	37.5	-43.5

**NA: Not Meaningful

Top Gainers

Company	Price	Change%
MEDGULF	23.94	5.7
SHAKER	9.48	5.5
RAYDAN	17.28	5.0
SAUDI GERMAN HOSPTL	28.20	3.7
NADEC	24.30	3.7

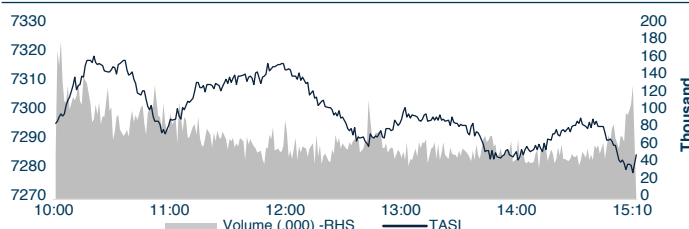
Top Losers

Company	Price	Change%
GULF UN.	14.28	-6.9
ANAAM	146.80	-3.8
MULKIA	8.09	-3.8
MIS	43.00	-3.7
ALKHALEEJ	13.36	-3.2

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %	PE (TTM)
TASI	7,285	7,321	7,278	(0.0)	(13.2)	20.3
NomuC	7,378	7,479	7,330	0.2	2.8	High

TASI movement during session



Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	4,951	(0.7)	(9.0)	19.8
Materials	4,548	0.6	(12.0)	49.9
Capital Goods	3,558	0.6	(17.9)	Neg
Commercial Service	3,619	(1.7)	(24.2)	13.5
Transportation	3,536	(0.6)	(19.6)	16.1
Consumer Durables	3,201	0.4	(8.7)	Neg
Consumer Services	3,190	(0.5)	(19.4)	25.3
Media	7,331	(0.4)	(22.0)	21.4
Retailing	6,453	1.0	(16.2)	19.5
Food & Staples	9,146	(2.9)	38.2	45.3
Food & Beverages	5,052	0.9	16.0	41.2
Healthcare	3,589	0.3	(3.8)	24.5
Pharma & Bio Tech	3,681	(0.2)	2.4	Neg
Banks	6,529	(0.1)	(19.5)	12.2
Diversified Financials	2,955	0.8	(10.5)	High
Insurance	4,410	(0.2)	(2.3)	29.4
Telecom	6,459	(0.7)	(0.2)	20.3
Utilities	3,737	0.0	(15.1)	48.8
REITs	3,659	(0.5)	(12.8)	22.9
Real Estate	2,521	(0.3)	(19.5)	High
Software & Services	5,971	(3.7)	21.0	12.0

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
7,178	7,012	6,868	6.52

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	19.5	1,000.6	883.8
Previous week	27.7	1,136.6	995.4

Top Weighted Companies

Company	Price	Change%
Al Rajhi	58.40	0.5
Saudi Aramco	32.65	-0.8
NCB	40.25	-1.5
SABIC	89.60	1.8
STC	99.70	-0.3



Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi increased 0.3% and 0.7%, respectively. Egypt and Oman rose 1.1% and 4.0%, respectively. Kuwait and Qatar declined 0.3% each, while Bahrain fell 0.1%.
- Several cities in the US imposed curfews as demonstrators took to the streets to vent outrage at the death of a black man. (Source: Reuters)
- US President Donald Trump said that he will initiate end of preferential treatment for Hong Kong in trade and travel, in response to a new security law pushed by Beijing. (Source: BBC)
- US personal income increased by 10.5% in April (consensus: a decline of 6.5%) after falling by a revised 2.2% in March. The rise in income is attributed to the distribution of stimulus checks by the federal government. Disposable personal income also grew 13.4% in April compared to a 1.8% drop in March. (Source: RTT News)
- US consumer sentiment index for May was revised downwardly to 72.3 (consensus: 74.0) from the preliminary reading of 73.7. The index reading stood at 71.8 in April. (Source: RTT News)
- China's Caixin/Markit Manufacturing PMI came in at 50.7 for May (consensus: 49.6) compared to 49.4 in April. (Source: CNBC)
- Eurozone inflation slowed to 0.1% Y/Y in May (in line with consensus), the lowest since June 2016, from 0.3% in April. (Source: RTT News)

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	97.7	-0.2	-0.7	1.3
Euro	1.12	0.3	0.6	-0.4
Japanese Yen	108.7	1.0	0.8	0.0
Sterling Pound	1.25	0.5	1.7	-5.4
Chinese Yuan	7.10	-0.4	-0.5	2.0
Indian Rupee	75.1	-0.5	-0.7	5.2
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.67	0.1	0.8	0.8
Kuwaiti Dinar	0.31	0.1	-0.1	1.7
Omani Rial	0.38	0.0	0.0	0.0
Bahraini Dinar	0.38	0.0	0.1	0.1
Egyptian Pound	15.98	0.6	0.8	-0.1

Corporate Calendar

Date	Company	Event
03 rd Jun	LAZURDE	OGM
03 rd Jun	MEDGULF	OGM
03 rd Jun	Yanbu Cement	OGM
03 rd Jun	APC	OGM
03 rd Jun	Arab National	OGM
03 rd Jun	Zain Saudi	OGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	1,984	0.5	2.0	-28.2	7.8
Abu Dhabi (ADX)	4,277	2.6	3.3	-15.7	11.6
Kuwait (KSE)	4,165	0.2	0.4	-15.2	10.5
Qatar (QE)	9,067	0.5	2.5	-13.0	13.9
Oman (MSM)	3,540	0.1	-0.1	-11.1	8.1
Bahrain (BSE)	1,270	0.0	0.0	-21.1	9.1
Egypt (EGX30)	10,339	1.1	1.2	-25.9	7.4

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	25,743	1.1	1.4	-9.8	19.5
Nasdaq	9,657	0.6	1.1	10.6	30.0
S&P 500	3,081	0.8	1.2	-4.6	1.9
FTSE 100	6,220	0.9	2.4	-17.5	16.1
Germany DAX 30	12,021	3.7	3.7	-9.3	18.7
France CAC 40	4,859	2.0	3.5	-18.7	19.3
Japan Nikkei 225	22,326	1.2	2.0	-5.6	20.1
Hong Kong Hang Seng	23,996	1.1	4.5	-14.9	10.5
China Shanghai Composite	2,921	0.2	2.4	-4.2	12.0
Australia ASX 200	5,835	0.3	1.4	-12.7	16.4
India Sensex	33,826	1.6	4.3	-18.0	18.8

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	34.7	5.1	21.3	-49.6
Brent Crude (\$/bbl)	39.6	3.3	12.0	-40.0
Texas crude (\$/bbl)	36.8	3.9	3.7	-39.8
Natural Gas (\$/mmbtu)	1.78	0.2	-3.9	-18.8
Gold (\$/oz)	1,727	-0.7	0.0	13.8
Silver (\$/oz)	18.1	-1.0	1.4	1.5
Steel (\$/ton)	513	-0.4	0.0	-12.8
Iron Ore (CNY/MT)	778	-3.1	0.3	11.9
Wheat (\$/bu)	508	-1.4	-2.4	-9.1
Corn (\$/bu)	324	0.3	-0.5	-16.4
Sugar (\$/lb)	11.2	2.0	2.8	-16.4
SMP* (EUR/MT)	2,155	0.0	-0.6	-16.1

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.337	-0.7	-0.7	-157.1
Saudi Arabia(SAIBOR)	1.077	-0.3	-0.6	-115.4
UAE (EIBOR)	0.825	2.9	22.1	-138.4
Qatar (QIBOR)	1.189	7.4	-8.8	-106.1
Bahrain (BHIBOR)	2.217	0.0	0.0	-45.0

Data Sources: Tadawul, Bloomberg, Reuters

* Three-month Interbank rate **NA: Not Available

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2. **Underweight:** This rating implies that the stock is currently trading at a premium to its 12 months price target. Stocks rated "Underweight" would typically decline by over 10% from the current price levels over next twelve months.
3. **Neutral:** The rating implies that the stock is trading in the proximate range of its 12 months price target. Stocks rated "Neutral" is expected to stagnate within +/- 10% range from the current price levels over next twelve months.
4. **Suspension of rating or rating on hold (SR/RH):** This basically implies suspension of a rating pending further analysis of a material change in the fundamentals of the company.

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